

Service Date: October 28, 1994

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER of the Application	)	
of PACIFICORP for Authority to	)	UTILITY DIVISION
Issue and Sell Debt and No Par	)	DOCKET NO. 94.10.45
Serial Preferred Stock in an	)	DEFAULT ORDER NO. 5810
Amount Not to Exceed	)	
\$150,000,000.	)	

On October 25, 1994, PacifiCorp (Company), a corporation organized and existing under and by virtue of the laws of the State of Oregon and qualified to transact business in Montana, filed with the Montana Public Service Commission its verified application, pursuant to ' ' 69-3-501 through 69-3-507, MCA, requesting an order authorizing the Company to issue and sell junior subordinated debentures substantially in accordance with its amending application, and confirming that all other terms and conditions of Docket Nos. 93.6.21, 94.3.13, 94.6.23 and 94.7.27, as amended, remain in effect.

The application is supported by exhibits and data in accordance with the rules and regulations of the Commission governing the authorization of the issuance of securities by electric and gas utility companies operating within Montana.

For detailed information with respect to the general character of the Company's business and the territories served by it, reference is made to its annual reports on file with the Commission.

The application sets forth Counsel who will pass upon the legality of the proposed issuance, the other regulatory authorizations required, and the propriety of the proposed issue.

At a worksession of the Montana Public Service Commission held in its offices at 1701 Prospect Avenue, Helena, Montana, on October 26, 1994, there came before the Commission for final action the matters and things in Docket No. 94.10.45, and the Commission, having fully considered the application and all the data and records pertaining to it on file with the Commission and being fully advised in the premises, makes the following:

#### FINDINGS

1. The Company is a corporation organized and existing under and by virtue of the laws of the State of Oregon and is qualified to transact business in the State of Montana.

2. The Company is operating as a public utility as defined in ' 69-3-101, MCA, and is engaged in furnishing electric service in Montana.

3. The Company was incorporated under Oregon law in August 1987 for the purpose of facilitating consummation of a merger with Utah Power & Light Company, a Utah corporation, and changing the state of incorporation of PacifiCorp from Maine to Oregon. The Company uses the assumed business names of Pacific Power & Light Company and Utah Power & Light Company within their respective service territories located in the states of California, Idaho, Montana, Oregon, Utah, Washington and Wyoming.

4. The Commission has jurisdiction over the subject matter of the application under § 69-3-102, MCA.

5. In Docket No. 94.7.27, the Company proposed to issue its subordinated debt directly to investors without involving an SPC under certain terms which were expected to be necessary at that time to achieve certain rating agency treatment.

7. In its amending application, the Company proposes to issue and sell its junior subordinated debentures under certain terms which vary from those referred to above in order to accommodate the needs of institutional investors. In general, the proposed changes involve the redemption provisions of the debentures.

8. All other authorizations, terms and conditions of Docket Nos. 93.6.21, 94.3.13, 94.6.23 and 94.7.27 remain the same except as modified by this amending Order.

#### CONCLUSIONS OF LAW

1. The proposed issuances to which the application relates will be for lawful objects within the corporate purposes of the Company. The method of financing is proper.

2. The application should be approved.

#### ORDER

IT IS THEREFORE ORDERED by the Commission that:

1. The application of PacifiCorp to issue and sell, from time to time not later than December 31, 1995, not to exceed \$150,000,000 of its fixed or floating rate subordinated debt, otherwise than to a special purpose subsidiary, substantially in accordance with the terms outlined in the Company's amending application, is hereby approved.

2. The authorizations, terms and conditions stated in Docket Nos. 93.6.21, 94.3.13, 94.6.23 and 94.7.27 remain in full force and effect except as modified by this amending order.

3. PacifiCorp shall file the following as they become available:

- a. The "Report of Securities Issued" required by 18 CFR 34.10.
- b. Verified copies of any agreement entered into in connection with any transaction pursuant to this Order.
- c. A verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to the order.

4. Issuance of this Order does not constitute acceptance of PacifiCorp's exhibits or other material accompanying the application for any purpose other than the issuance of this Order.

5. Approval of the transaction authorized shall not be construed as precedent to prejudice any future action of this Commission.

6. Section 69-3-507, MCA, provides that neither the issuance of securities by PacifiCorp pursuant to the provisions of this Order, nor any other act or deed done or performed in connection with the issuance, shall be construed to obligate the State of Montana to pay or guarantee in any manner whatsoever any security authorized, issued, assumed, or guaranteed.

7. This Order shall be effective upon execution.

DONE IN OPEN SESSION at Helena, Montana, this 26th day of October, 1994, by a 4 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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BOB ANDERSON, Chairman

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BOB ROWE, Vice Chairman

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DAVE FISHER, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.